



# Fourth quarter report 2025





## Norse Atlantic Airways



Norse Atlantic Airways is an airline committed to offering affordable fares on direct, long-haul flights to popular destinations, along with specialized charter and ACMI services for tailored travel needs and extensive cargo operations. Norse Atlantic operates a modern fleet of 12 fuel-efficient Boeing 787 Dreamliners, serving a network of destinations across North America, Europe, Africa and Asia.

# Margin expansion ahead on low-cost platform with balanced risk profile



## Q4 2025 headlines

- 27% revenue increase YoY on strong passenger growth and higher average fares in own network
- 96% load factor, fifth consecutive quarter above 90%
- 19% reduction in unit cost (CASK ex. fuel) on ACMI transition and adjusting for non-recurring items
- Completed transition to de-risked dual ACMI charter/own network strategy
- Significant shift in commercial momentum from late Q4 with record unit revenue in own network (TRASK) into early 2026
- Network high grading and continuous cost improvements to support sustained margin expansion

Revenue (USD million)

**156.3**

123.1

EBITDAR (USD million)

**(3.1)**

(3.3)

EBIT (USD million)

**(22.0)**

(25.9)

Flights

**1,478**

1,196

Passengers

**407,942**

338,564

Load factor

**96%**

92%

Comparative figures from Q4 2024

## CEO, Eivind Roald

**2026 marks a new chapter for Norse Atlantic with the completion of the transition to a balanced dual ACMI and own network model with reduced risk, more stable revenue, higher flexibility and increased exposure to high-demand routes.**




Our ambition is clear: to provide a market-leading affordable long-haul travel product. A great customer experience is the foundation for delivering strong margin expansion on our low-cost platform with a balanced risk profile and accelerating shareholder value creation.

Since becoming CEO in late November, my focus has been on implementing the new business model and on operational simplification to improve speed and responsiveness to market demand. This includes adjusting our network design to better handle irregularities and investing in technology and capabilities to efficiently deliver more consistent customer experience.

We have taken decisive steps to create a more focused own network targeting long-haul routes with strong demand and high fare potential. The “Winter Sun” program between Europe and Asia and Africa illustrates this disciplined network high-grading strategy.

The early results are encouraging. In December, we had a 6% increase in network unit revenue (TRASK) and a 14% increase in production (ASK) compared to the same month a year ago, reflecting higher ticket prices and cargo revenue. The momentum in January is even stronger with a 21% year-on-year increase in unit revenue and 23% increase in production, and we see the positive trend continuing through February.

Norse has a solid foundation for success with highly favorable long-term aircraft leases, an attractive product yielding 96% load factor for 2025 and high customer ratings for our service-minded crew. The strong improvements in recent months confirm that people are willing to pay more for our product on the right routes.

Our low-cost base in Riga is ready to scale as we optimize the route mix for higher profitability. The winter program to Thailand is a great example of how this high grading creates value. We will accelerate commercial efforts to increase prices and ancillary revenue, while also maximizing our cargo potential.

We have taken measures to balance aircraft utilization to increase predictability and avoid unnecessary cancellations due to maintenance requirements. We aim to become significantly more efficient in customer handling when such irregularities occur.

This is coupled with an unrelenting cost focus across operations, including structural simplification, SG&A reductions, reviewing all supplier agreements and establishing new agreements with airborne crew for greater flexibility when setting up new routes.

This is part of redefining Norse as an “Airline on Demand”, responding more quickly to changes in market trends and demand. We will be flexible and offer charters/ACMI if that is the most profitable option, we will open and close routes more quickly to maximize profitability. Further we are strengthening our brand and product positioning to increase our total yield as part of our intensified focus on revenue management.

These are key elements of our strategy to build a profitable long-haul business, always agile, responsive and continuously improving – true to our position as “The Explorer’s Airline”.

## Operational performance

In the fourth quarter of 2025, Norse achieved a load factor of 96%. This was the fifth consecutive quarter with the load factor exceeding 90%.

Revenue per passenger increased 10% year-over-year to USD 379, driven by higher fares and partially offset by lower ancillary revenue.

The number of passengers carried increased 20% year-over-year, driven by the improved load factor and a 44% increase in ASK. Operational performance was impacted by cancellations with 98.7% of the planned flights completed.

ACMI/charter activity increased during the fourth quarter as three more aircraft were delivered to Indigo, bringing the total to five at year-end in line with plan. The sixth and final aircraft was delivered to Indigo at end-January 2026, in accordance with ACMI contracts signed with Indigo in 2025.

(in thousands of USD unless otherwise stated)	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Number of flights	1,478	1,842	1,731	1,052	1,196
- in own network	869	1,670	1,542	585	860
- ACMI/charter	609	172	189	467	336
Completion rate	98.7%	99.2%	99.9%	100.0%	99.7%
Average stage length (km)	7,483	7,560	7,017	6,288	6,426
ASK (millions)	3,738	4,707	4,106	2,236	2,599
RPK (millions)	3,575	4,457	3,968	2,122	2,386
Number of passengers	407,942	573,433	553,086	304,588	338,564
Load factor	96%	95%	97%	95%	92%
Airfare per passenger (USD)	317	324	299	270	269
Ancillary per passenger (USD)	62	72	73	69	74
Revenue per passenger (USD)	379	395	372	339	343
PRASK (US cents)	4.49	4.91	4.78	4.15	4.36
TRASK (US cents)	4.10	5.31	4.93	5.60	4.74
CASK cash adjusted (US cents)	3.12	3.05	3.01	3.75	3.63
CASK excl. fuel (US cents)	3.61	3.44	3.45	4.63	4.46
CASK (US cents)	4.69	4.82	4.83	5.84	5.73
Cargo volumes (tonnes)	6,051	9,311	8,160	3,788	6,389
Cargo rate net of commissions (USD/ton)	1,383	879	1,058	947	1,031

## Financial performance & position

(Comparative numbers in parenthesis refers to the fourth quarter of 2024 unless otherwise specified)

### Statement of comprehensive income/profit/loss

Total revenue was USD 156.3 million (USD 123.1 million) in the fourth quarter of 2025, comprising USD 104.0 million of passenger revenue (USD 90.6 million) and USD 52.3 million of other revenue (USD 32.5 million).

Airfare revenue was USD 87.1 million (USD 71.1 million), while ancillary passenger revenue amounted to USD 16.9 million (USD 19.5 million).

Other revenue in fourth quarter included USD 2.9 million received from insurance claims (USD 0.8 million), in addition to charter and ACMI income of USD 39.8 million (USD 21.1 million), cargo revenue of USD 8.4 million (USD 6.6 million) and revenue from other services of USD 0.5 million (USD 0.9 million).

Operating expenses excluding depreciation, amortization and aircraft leases during the period totalled USD 159.4 million (USD 126.4 million), including USD 2.9 million of operating expenses reimbursed by insurance claim proceeds.

Personnel expenses were higher due to increase in wages and allowances paid to airborne personnel following union negotiations. Airport charges, handling and other flight-related costs

(in thousands of USD)	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
<b>Key profit and loss figures</b>					
Passenger revenue	104.0	210.5	187.0	62.1	90.6
Other revenue <sup>1</sup>	52.3	39.3	15.6	63.2	32.5
<b>Total revenue</b>	<b>156.3</b>	<b>249.8</b>	<b>202.6</b>	<b>125.3</b>	<b>123.1</b>
Operating costs	(159.4)	(228.4)	(179.5)	(110.3)	(126.4)
<b>EBITDAR</b>	<b>(3.1)</b>	<b>21.4</b>	<b>23.1</b>	<b>15.0</b>	<b>(3.3)</b>
Depreciation, amortisation and variable aircraft rentals	(18.9)	(18.7)	(18.7)	(20.2)	(22.6)
<b>Operating profit/(loss)(EBIT)</b>	<b>(22.0)</b>	<b>2.7</b>	<b>4.4</b>	<b>(5.2)</b>	<b>(25.9)</b>
Net financial expenses	(11.2)	(10.5)	(9.9)	(9.6)	(8.5)
<b>Profit/(loss) before tax</b>	<b>(33.2)</b>	<b>(7.8)</b>	<b>(5.5)</b>	<b>(14.9)</b>	<b>(34.4)</b>
Income tax	(0.2)	-	(0.4)	-	-
<b>Profit/(loss) for the period</b>	<b>(33.3)</b>	<b>(7.8)</b>	<b>(5.9)</b>	<b>(14.9)</b>	<b>(34.5)</b>
<b>Key cash flow figures</b>					
Cash flow from operations	5.1	7.7	27.5	30.0	19.9
Cash flow from investments	(6.6)	(5.7)	(4.9)	(3.6)	(5.5)
Cash flow from financing	7.5	(2.5)	(24.3)	(22.9)	(16.1)
Effect of foreign currency revaluation on cash	(0.2)	-	0.4	0.4	(0.8)
<b>Net change in free cash and cash equivalents</b>	<b>5.8</b>	<b>(0.5)</b>	<b>(1.3)</b>	<b>3.9</b>	<b>(2.5)</b>
<b>Cash and cash equivalents at period end</b>	<b>17.6</b>	<b>25.5</b>	<b>23.6</b>	<b>25.0</b>	<b>22.9</b>

<sup>1</sup> Q1 2025 includes USD 28.7 million in one-time gain from lease modifications

were up year-over-year, reflecting higher activity levels. Technical maintenance costs include around USD 4.5 million in extraordinary costs during the quarter, some of which was reflected in the insurance claim reimbursement.

A continued focus on reducing overhead expenses resulted in a 29% reduction of marketing and distribution costs, as well as an 18% reduction in general and administrative expenses.



Depreciation and amortization of the aircraft right-to-use-assets decreased year-over-year following the re-delivery of three leased aircraft during the first quarter.

Net financial expenses were USD 11.2 million (USD 8.5 million), increase mainly due to interest costs on convertible bonds and bank overdraft facility.

The net loss after tax was USD 33.3 million (USD 34.5 million).

Included in the income statement are non-cash lease accounting costs of USD 2.3 million (USD 5.3 million).

### **Financial position/Balance sheet**

At 31 December 2025, the carrying value of right-of-use assets was USD 696.5 million (USD 817.9 million), whereas the corresponding lease liabilities were at USD 779.3 million (USD 905.7 million). Interest-bearing debt included convertible bonds of USD 28.6 million (shareholder loan USD 22.1 million). Aircraft maintenance provisions were USD 76.5 million (USD 73.4 million).

Current assets were USD 139.8 million at period-end (USD 154.8 million). Current liabilities were USD 355.4 million (USD 319.9 million), including interest-bearing debt of USD 27.7 million (nil).

The book equity at 31 December 2025 was negative USD 260.0 million (negative USD 210.6 million).

### **Cash flow**

Free cash and cash equivalents increased by USD 5.8 million (increase of USD 2.5 million) during the quarter. Cash inflow from operations was USD 5.1 million (USD 19.9 million), cash outflow to investments was USD 6.6 million (USD 5.5 million) and net cash inflow from financing activities was USD 7.5 million (outflow of USD 16.1 million).

Cash inflow from financing activities included USD 11.1 million raised through a private placement of equity shares and USD 13.8 million released from restricted cash.

Free cash and cash equivalents at the end of the period were USD 17.5 million (USD 22.8 million). The Company has a USD 20 million bank overdraft facility which was fully drawn as at 31 December 2025.

## Outlook and strategy

Norse has a uniform fleet of 12 commercially flexible and cost-efficient Boeing 787-9 Dreamliners on attractive lease terms ranging from 7 to 12 years, with an average duration of 10 years. The lease agreements are highly favorable compared to current market rates for equivalent aircraft and have no price or inflationary adjustments, providing Norse with a significant long-term cost advantage.

The Company has materially reduced the business risk with six aircraft flying Norse Atlantic's own focused network of routes and six on long-term ACMI charters from end-January 2026 with stable earnings and no fuel price exposure. The Company also operates charter flights for P&O Cruises during the 2025/26 and 2026/27 winter seasons.

The own network operation is continuously high-graded to focus on routes with the highest demand and fare potential. Based on the strong reception for the Europe to Thailand flights this winter and the growing demand for travel to South-East Asia, future capacity allocation may shift away from the transatlantic market to new destinations with stronger growth and less competition. Going into 2026, Norse has also taken steps for greater flexibility to manage maintenance and irregularities to improve on-time performance and customer experiences.

In addition to maximizing revenue generation, Norse maintains a constant focus on efficiencies to deliver the lowest cost per

unit in the markets where the Company operates. The ongoing program for reducing overhead and marketing costs continues into 2026, and the Company will review the current base and organizational structure to further drive down costs.

A third focus area is targeted investments in customer care, including innovative technology and AI, to drive efficiencies, strengthen customer communication and improve satisfaction.

The strategic initiatives implemented in 2025 resulted in a significant improvement in most operational metrics towards year-end and into 2026, with higher production and robust customer demand resulting in full flights and record network unit revenue in January. These initial results from the more focused own network operations combined with stable ACMI earnings provide a foundation for long-term profitable operations, strong cash generation and shareholder value creation.

For full year 2026, Norse expects to report an EBITDAR in the range of USD 130-150 million and a profit before tax in the range of USD 20-40 million. The 2026 outlook reflects the planned flight program, ticket sales to date, continuous optimization of pricing and load in own network, ongoing and new cost initiatives, and estimated fuel costs based on the Brent crude oil price average year-to-date and forward curve.

## Organization

On 31 December 2025, the Company had 1,076 employees (1,121), comprising 825 airborne crew and 251 engineers, aircraft maintenance personnel and office-based employees.

The Corporate Headquarters is in Arendal, with the Operational Headquarters in Riga. Other offices are located in Oslo Gardermoen, London Gatwick, Fort Lauderdale, and Paris.

## Risks

The Company is exposed to risks that are associated with newly established enterprises, as well as to risks related to the airline industry. Routes, network and markets have a maturity period, and the airline market is very competitive. As such, the Company may be subject to aggressive and targeted pricing strategies from competitors on the routes it operates, thereby making it more difficult to establish itself and a customer base.

The Company is vulnerable to small changes in demand or sales prices due to a significant share of fixed costs which cannot be scaled against other factors, such as number of tickets sold, number of passengers or flights flown. Airlines are exposed to the risk of significant loss from aviation accidents involving operations, including crashes and other disasters. Further, airlines are often affected by factors beyond their control, including pandemics, technical problems, adverse weather conditions or other natural or man-made events.

The development of the airline industry has historically been correlated to macroeconomic developments, making the industry sensitive to general business conditions, economic growth and private consumption trends. Future demand for air travel is subject to seasonal variations and can also be significantly impacted by macroeconomic factors, such as high inflation, that could have a negative impact on customers' spending behaviour. Airline fares, freight rates and passenger demand have fluctuated significantly in the past and may fluctuate significantly in the

future. A negative development in macroeconomic conditions may have a negative adverse effect on the demand for air travel and air freight services and result in loss of revenue and additional costs for the Company, which may have a material adverse effect on the Company's business, financial conditions, results of operations and future prospects.

The commercial airline industry has historically been subject to seasonal variations where demand is relatively high between May and October and relatively low between November and April. If Norse is not able to predict variations in demand correctly, and plan its operations accordingly, the Company's flights may become subject to over or under capacity, which in turn may negatively affect its business, financial condition, income or operating result. As the Company enters into long-term wet lease/ACMI contracts, the Company's overall exposure to the risk of both seasonality and general demand is reduced. ACMI secures fixed revenue year-round and hence eliminates some of the seasonality exposure. For capacity allocated to ACMI, variable revenue is replaced with fixed revenue establishing a floor downwards but still allowing for upward potential during periods of higher capacity utilization.

Significant risk factors Norse is exposed to include, but are not limited to, exposure to global macroeconomic and geopolitical factors, airport slot constraints, interruption in IT systems, aviation incidents, changes in taxes, changes in credit card settlement terms, environmental factors, degree of commercial success expressed through achieved load factors and fares, and the future development in jet fuel prices. Operating technically highly advanced aircraft without any unplanned disruptions also implies

operations being dependent on timely access to applicable spare parts and the services of a concentrated base of key suppliers and business partners in relation to aircraft maintenance. As a small airline operating a 12-aircraft fleet with no spare capacity, any aircraft-on-ground (AOG) event due to technical issues may require short-notice ACMI leasing, resulting in higher operating costs and potential schedule disruption.

Norse is exposed to liquidity risk. Should sales volumes decrease, jet fuel prices increase, or other operational expenses increase, this would impose an increased liquidity risk. Key to the Company's exposure to liquidity risk is also the timing of when Norse receives payment from credit card companies for tickets sold. Hold-back from the credit card companies is structured across a combination of thresholds of hold-back amounts and number of hold-back days varying with season. Any increase in hold-back amounts or extensions of hold-back days will have an adverse effect on the Company's cash flow and liquidity position, potentially affecting its ability to manage its financial obligations. Going concern is described in more detail in the notes to the interim consolidated financial statements (refer to [Note 2](#)).

Currently, Norse have no fuel hedging arrangements in place and is fully exposed to jet fuel price fluctuations. Increase in jet fuel prices and any significant and prolonged adverse movements in currency exchange rates could impact the Company's earnings. Escalations in geopolitical tensions may lead to volatility and upward pressure in fuel prices. The long-term ACMI contracts entered into will reduce the overall exposure to fuel price fluctuations, as the jet fuel cost under ACMI contracts is at the expense of the customer.

# Condensed interim financial statements



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## Interim consolidated statement of comprehensive income

(in thousands of USD)	Notes	Q4 2025	Q4 2024	FY 2025	FY 2024
<b>Revenue</b>					
<b>Total Revenue</b>	<a href="#">4</a>	<b>156,331</b>	<b>123,118</b>	<b>734,042</b>	<b>588,106</b>
<b>Operating expenses</b>					
Personnel expenses		(43,472)	(34,790)	(160,840)	(131,701)
Fuel, oil and emission costs		(40,475)	(33,102)	(188,988)	(183,617)
Airport charges and handling		(21,508)	(16,615)	(106,176)	(94,205)
Technical maintenance		(33,450)	(19,619)	(135,787)	(84,629)
Other operating costs		(11,958)	(11,033)	(48,288)	(47,151)
Marketing and distribution costs		(4,587)	(6,450)	(22,392)	(31,724)
Administrative costs		(3,943)	(4,828)	(15,093)	(15,938)
<b>Total Operating exps excl. leases, dep &amp; amort.</b>		<b>(159,394)</b>	<b>(126,437)</b>	<b>(677,564)</b>	<b>(588,965)</b>
<b>Operating profit before leases, dep &amp; amort. (EBITDAR) <sup>1</sup></b>		<b>(3,062)</b>	<b>(3,319)</b>	<b>56,478</b>	<b>(858)</b>
Variable aircraft rentals		-	(287)	-	(8,239)
Depreciation and amortization	<a href="#">6</a>	(18,912)	(22,314)	(76,572)	(87,920)
<b>Operating profit/(loss)</b>		<b>(21,974)</b>	<b>(25,920)</b>	<b>(20,094)</b>	<b>(97,017)</b>
Interest expenses	<a href="#">7</a>	(10,615)	(10,026)	(40,088)	(39,019)
Other financial income/(expenses)	<a href="#">8</a>	(565)	1,511	(1,111)	962
<b>Profit/(loss) before tax</b>		<b>(33,154)</b>	<b>(34,435)</b>	<b>(61,293)</b>	<b>(135,075)</b>
Income tax		(162)	(38)	(648)	(379)
<b>Profit/(loss) for the period</b>		<b>(33,316)</b>	<b>(34,473)</b>	<b>(61,941)</b>	<b>(135,454)</b>

(in thousands of USD)	Notes	Q4 2025	Q4 2024	FY 2025	FY 2024
<b>Total comprehensive income</b>					
Profit/(loss) for the period		(33,316)	(34,473)	(61,941)	(135,454)
Other comprehensive income		-	-	-	-
<b>Total comprehensive income</b>		<b>(33,316)</b>	<b>(34,473)</b>	<b>(61,941)</b>	<b>(135,454)</b>
Basic earnings per share (USD) <sup>2</sup>		(0.63)	(0.05)	(0.42)	(0.80)
Diluted earnings per share (USD) <sup>2</sup>		(0.63)	(0.05)	(0.42)	(0.80)

<sup>1</sup> Non-IFRS alternative measures are explained and/or reconciled in separate section of the report

<sup>2</sup> Based on average number of outstanding shares in the period

## Interim consolidated statement of financial position

(in thousands of USD)	Notes	31 Dec 2025	31 Dec 2024
<b>Non-current assets</b>			
Tangible assets	<a href="#">9</a>	703,407	824,694
Intangible assets		2,020	2,819
Aircraft lease deposits		15,013	16,502
Other non-current assets		51,534	32,338
<b>Total non-current assets</b>		<b>771,974</b>	<b>876,353</b>
<b>Current assets</b>			
Credit card receivables		72,137	100,245
Trade and other receivables	<a href="#">10</a>	24,695	11,668
Inventories		6,324	4,601
Other current assets		19,108	15,468
Cash and cash equivalents	<a href="#">11</a>	17,554	22,855
<b>Total current assets</b>		<b>139,817</b>	<b>154,837</b>
<b>Total assets</b>		<b>911,791</b>	<b>1,031,190</b>

(in thousands of USD)	Notes	31 Dec 2025	31 Dec 2024
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	<a href="#">12</a>	8,271	74,596
Share premium		10,267	200,418
Other paid-in capital		1,234	588
Accumulated losses		(279,782)	(486,170)
<b>Total equity</b>		<b>(260,011)</b>	<b>(210,568)</b>
<b>Non-current liabilities</b>			
Lease liabilities non-current	<a href="#">13</a>	711,214	826,005
Interest-bearing debt	<a href="#">14</a>	28,629	22,056
Provisions		76,523	73,830
<b>Total non-current liabilities</b>		<b>816,366</b>	<b>921,891</b>
<b>Current liabilities</b>			
Deferred passenger revenue		79,225	101,289
Interest-bearing debt current	<a href="#">14</a>	27,722	-
Trade and other payables		180,418	138,864
Lease liabilities current	<a href="#">13</a>	68,071	79,714
<b>Total current liabilities</b>		<b>355,437</b>	<b>319,868</b>
<b>Total equity and liabilities</b>		<b>911,791</b>	<b>1,031,190</b>

## Interim consolidated statement of cash flow

(in thousands of USD)	Notes	Q4 2025	Q4 2024	FY 2025	FY 2024
<b>Cash flows from operating activities</b>					
Profit/(loss) before tax		(33,154)	(34,435)	(61,293)	(135,075)
<b>Adjustments for items not affecting operating cash flows</b>					
Depreciation and amortization	<a href="#">6</a>	18,912	22,314	76,572	87,920
Interest expenses		10,615	10,026	40,088	39,019
Interest income		(608)	(857)	(1,168)	(1,489)
Share based employee incentives		98	(94)	364	279
Income taxes paid		(162)	(38)	(648)	(379)
Gain on lease modifications		-	-	(28,726)	-
Changes in deferred passenger revenue		(4,964)	28,169	(22,065)	48,895
Provisions		2,749	2,233	10,839	8,848
<b>Net operating cash flows before working capital movements</b>		<b>(6,515)</b>	<b>27,318</b>	<b>13,963</b>	<b>48,019</b>
Working capital movements		11,657	(7,432)	56,402	7,621
<b>Net cash flows from operating activities</b>		<b>5,142</b>	<b>19,886</b>	<b>70,365</b>	<b>55,640</b>
<b>Cash flows from investing activities</b>					
Aircraft maintenance assets		(6,909)	(4,206)	(20,748)	(22,423)
Other investments		260	(1,305)	(127)	(1,987)
<b>Net cash flows from investing activities</b>		<b>(6,649)</b>	<b>(5,512)</b>	<b>(20,874)</b>	<b>(24,411)</b>

(in thousands of USD)	Notes	Q4 2025	Q4 2024	FY 2025	FY 2024
<b>Cash flows from financing activities</b>					
Net proceeds from share issue		11,078	8,490	11,078	14,304
Proceeds from convertible bonds	<a href="#">14</a>	-	-	27,377	-
Shareholder loan	<a href="#">14</a>	-	-	(17,181)	20,000
Bank overdraft facility	<a href="#">14</a>	6,450	-	20,314	-
Lease installments		(16,695)	(19,129)	(67,395)	(69,161)
Movements in restricted cash		13,800	-	13,200	2,300
Net interest received/(paid)		(7,119)	(5,477)	(29,595)	(28,187)
<b>Net cash flows from financing activities</b>		<b>7,515</b>	<b>(16,116)</b>	<b>(42,204)</b>	<b>(60,745)</b>
Effect of foreign currency revaluation on cash		(167)	(752)	613	(160)
<b>Net change in free cash and cash equivalents</b>		<b>5,841</b>	<b>(2,494)</b>	<b>7,900</b>	<b>(29,675)</b>
Free cash and cash equivalents at the beginning of the period		11,714	12,148	9,655	39,330
<b>Free cash and cash equivalents at the end of the period</b>		<b>17,554</b>	<b>9,655</b>	<b>17,554</b>	<b>9,655</b>
Restricted cash at the end of the period	<a href="#">11</a>	-	13,200	-	13,200
<b>Cash and cash equivalents at the end of the period</b>	<a href="#">11</a>	<b>17,554</b>	<b>22,855</b>	<b>17,554</b>	<b>22,855</b>

## Interim consolidated statement of changes in equity

(in USD thousands except for number of shares and value per share)

	Number of shares	Share capital	Share premium	Other paid-in capital	Accumulated losses	Total equity
Balance as at 1 Jan 2025	147,802,416	74,596	200,418	588	(486,170)	(210,568)
Profit/(loss) for the period	-	-	-	-	(61,941)	(61,941)
Other comprehensive income for the period	-	-	-	-	-	-
21 August 2025, reduction in nominal value of shares from NOK 5.00 to NOK 0.50	-	(67,136)	(200,418)	(774)	268,328	-
27 October 2025 share issue (private placement) of 14,780,242 new shares at USD 0.76794 (NOK 7.6938) per share	14,780,242	811	10,539	-	-	11,350
Issue cost	-	-	(272)	-	-	(272)
Equity component of convertible bonds (refer to <a href="#">Note 14</a> )	-	-	-	1,056	-	1,056
<b>Other changes in equity</b>	-	-	-	-	-	-
Share based employee incentives	-	-	-	364	-	364
<b>Balance at 31 December 2025</b>	<b>162,582,658</b>	<b>8,270</b>	<b>10,267</b>	<b>1,234</b>	<b>(279,782)</b>	<b>(260,011)</b>
Balance as at 1 Jan 2024	122,211,579	62,954	197,756	309	(350,716)	(89,697)
Profit/(loss) for the period	-	-	-	-	(135,454)	(135,454)
Other comprehensive income for the period	-	-	-	-	-	-
<b>Other changes in equity</b>	-	-	-	-	-	-
2 February 2024, share issue at USD 1.03 (NOK 11.00) per share	6,312,261	2,955	2,858	-	-	5,814
6 December 2024, share issue at USD 0.45 (NOK 5.00) per share	19,278,576	8,686	(196)	-	-	8,490
Share-based payments to employees	-	-	-	279	-	279
<b>Balance at 31 Dec 2024</b>	<b>147,802,416</b>	<b>74,596</b>	<b>200,418</b>	<b>588</b>	<b>(486,170)</b>	<b>(210,568)</b>

# Notes to the condensed interim consolidated financial statements

## Note 1 General information

These interim condensed consolidated financial statements of Norse Atlantic ASA (“Norse”, “Norse Atlantic Airways” or the “Company”) were authorized for issue in accordance with a resolution of the Board of Directors passed on 25 February 2026.

Norse Atlantic Airways is a public limited company listed on the Euronext Expand at Oslo Stock Exchange. The Company was incorporated on 1 February 2021 under the laws of Norway and its registered office is at Fløyveien 14, 4838 Arendal, Norway. The Company has wholly owned subsidiaries in Norway, the UK, the US, Latvia, Greece and Cyprus.

Norse is a new affordable long-haul airline established in 2021 that serves the transatlantic market with modern, fuel-efficient Boeing 787 Dreamliner’s. Norse commenced its commercial operations on 14 June 2022 and currently serves the destinations New York, Miami, Orlando, Los Angeles, Cape Town, Berlin, London, Paris, Rome, Athens, Bangkok, Phuket, Manchester, Stockholm and Oslo.

## Note 2 Basis of preparation

### 2.1 General

These interim consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” as adopted by the European Union (the “EU”) and additional requirements in the Norwegian Securities Trading Act. They do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Company for the year ended 31 December 2024 as published and available at the Company’s website [www.flynorse.com](http://www.flynorse.com). In these interim consolidated financial statements, the fourth quarter (Q4) is the period starting on 1 October and ending on 31 December. The period 2024 is defined as the reporting period from 1 January to 31 December. For this interim period the Company presents the fourth quarter of 2024 as a period of comparable information, and the Company’s commentary on the financial development refers to that same quarter. All amounts are presented in USD thousands unless otherwise stated. These interim financial statements are unaudited.

### 2.2 Going concern

Management and the Board of Directors take account of and consider all available information when evaluating the application of the going concern assumption. For this interim report, the going concern assumption has been evaluated for a period of 12 months following the end of the reporting period. The going concern assumption of the Company is subject to uncertainty.

Being an airline in its build-up phase, the Company has incurred losses over the first periods of operation, and as at 31 December 2025 the reported equity is negative USD 260.0 million. The Company’s total cash balance as at 31 December 2025 is USD 17.5 million.

For Norse’s equity situation, the existence of value in the off-balance sheet assets, particularly related to the significant fair value of the aircraft lease contracts, and more, imply that the real equity could be higher than the book equity.

The Company has been through a process of shaping a strategic reorientation for the Company. The outcome of such process is a revised business plan implying the Company allocating a significant portion of its capacity towards longer-term ACMI services, whereas the Company has secured new contracts supporting the execution of such business plan. The plan implies a more modest capacity allocated to operation of routes within own scheduled network, in turn allowing for the Company focusing on its most profitable routes. The revised business plan implies generation of year-round fixed revenue and cash flows, and a de-risking of the business model.

Based on the major contracts entered into, as well as the Company's overall plans and ambitions, Norse has prepared financial forecasts that over time show a positive development both in the group's financial results, financial position in terms of equity and in cash position. Forecasts are subject to risks and uncertainties. Some significant risk factors include, but are not limited to, commercial success expressed through achieved load factors and fares, as well as the future development in jet fuel prices. The demand for air travel is subject to seasonal variations and can also be significantly impacted by macroeconomic factors, such as high inflation, that could have a negative impact on customers' spending behaviour. Airline fares, freight rates and passenger demand have fluctuated significantly in the past and may fluctuate significantly in the future.

Specifically, the Company also is in a position of owing an amount of approximately USD 14 million of historic and overdue passenger taxes to the US Internal Revenue Service (IRS), whereas current tax payments are

serviced as they fall due. The US IRS has mechanisms of downpayment of such overdue taxes, under which individual agreements must be entered into. The Company has started paying down overdue taxes in monthly instalments and has proactively entered into a dialogue with the US IRS aiming at establishing a formal plan of downpayment.

There are several uncertainties affecting the financial position of the Company. This includes but is not limited to factors such as the commercial success of the Company during the winter season, the future development in jet fuel prices, the applied holdback mechanisms of credit card acquirers, the outcome of a downpayment plan to be established with the US IRS for the overdue US passenger taxes, as well as general operational risks. On the other hand, there is upside potential on the commercial and financial performance of the Company's own scheduled network, whereas pre-sales on routes out for sale is trending well above the pre-sales realized at the same time the previous year.

The Board of Directors is of the opinion that, in line with the Company's business plan, there is a feasible plan for the Company to generate profits. In the Board of Directors' opinion, the going concern assumption is present and applies as basis for the Company's financial statements, but under the conditions present, the going concern assumption is subject to uncertainty. In the event that the going concern assumption does not serve as basis for the Company's financial statements, depending on the specific circumstances, some assets of the Company may carry values lower than the values at which they are presented in these financial statements.

## Note 3 Accounting policies

The accounting policies applied by the Company in these condensed interim consolidated financial statements are consistent with those applied in the audited consolidated financial statements for the year ended 31 December 2024, unless otherwise stated below. Refer to [Note 2](#) Basis of preparation and significant accounting policies in the 2024 Annual Report for information on the Company's accounting policies.

### 3.1 Convertible bonds

Convertible bonds are separated into a debt liability and an equity component based on the terms of the contract. On issuance of the convertible bonds, the fair value of the debt liability excluding conversion option is measured at the fair value of expected cash flows at inception and is recorded under non-current liabilities in the balance sheet. The debt liability component is amortized to the redemption value over the bond life, accruing interest at the effective rate. The rest of the convertible bond issue proceeds are recorded as equity.

Transaction costs are apportioned between the debt liability and equity components of the convertible bonds based on the allocation of the proceeds of the debt liability and equity components when the instruments are initially recognized.

## Note 4 Segment reporting and revenues

The Company's chief operating decision maker currently reviews the Company's activities on a consolidated basis as one operating segment.

(in thousands of USD)	Q4 2025	Q4 2024	FY 2025	FY 2024
Airfare passenger revenue	87,062	71,138	459,497	395,249
Ancillary passenger revenue	16,929	19,465	104,156	108,200
<b>Total passenger revenues</b>	<b>103,990</b>	<b>90,602</b>	<b>563,653</b>	<b>503,449</b>
Cargo	8,368	6,590	28,771	20,678
<b>Total own flights</b>	<b>112,359</b>	<b>97,193</b>	<b>592,425</b>	<b>524,127</b>
Lease income	-	3,128	1,431	18,805
Charter and ACMI	39,761	21,112	84,647	37,144
Other revenue	4,212	1,685	55,539	8,031
<b>Total Operating Revenue</b>	<b>156,331</b>	<b>123,118</b>	<b>734,042</b>	<b>588,106</b>

Airfare passenger revenue comprises only ticket revenue, while ancillary passenger revenue consists of other passenger related revenue than ticket revenue. Lease income is revenue from subleasing of aircrafts. Charter and ACMI revenue comprise of revenue from operating flights on behalf of third-party customers, both for ad hoc flights and for series of flights over a longer term. Other revenue consists of proceeds from insurance claims and revenue from maintenance services provided the Company's technical personnel to third parties.

## Note 5 Critical accounting estimates and judgements

Preparation of the Company's consolidated financial statements requires management and the board to make estimates, judgements and assumptions that affect the reported amount of revenue, expenses, assets and liabilities, as well as the accompanying disclosures. Uncertainty about these estimates, judgements and assumptions could result in outcomes that require a material adjustment to the carrying amounts of assets or liabilities in future periods.

The key estimates, judgements and assumptions used by the management in preparation of these interim condensed consolidated financial statements were the same as those applied in preparation of the audited consolidated financial statements for the year ended 31 December 2024.

## Note 6 Depreciation and amortization

(in thousands of USD)	Q4 2025	Q4 2024	FY 2025	FY 2024
Depreciation of right-of-use assets	18,338	21,516	74,477	85,670
Depreciation of other tangible assets	350	536	1,126	1,314
Amortization of intangible assets	224	262	969	936
<b>Total</b>	<b>18,912</b>	<b>22,314</b>	<b>76,572</b>	<b>87,920</b>

**Note 7 Interest expenses**

(in thousands of USD)	Q4 2025	Q4 2024	FY 2025	FY 2024
Lease liabilities interest expense	8,066	8,932	32,752	36,061
Other interest expense	2,549	1,094	7,336	2,958
<b>Total</b>	<b>10,615</b>	<b>10,026</b>	<b>40,088</b>	<b>39,019</b>

**Note 8 Other financial income/(expenses)**

(in thousands of USD)	Q4 2025	Q4 2024	FY 2025	FY 2024
Other financial income/(expense)	608	857	1,168	1,489
Foreign exchange gains	(1,066)	(128)	212	820
Foreign exchange losses	(106)	783	(2,491)	(1,347)
<b>Total</b>	<b>(565)</b>	<b>1,511</b>	<b>(1,111)</b>	<b>962</b>

**Note 9 Aircraft and other tangible assets**

(In thousands of USD)	31 Dec 2025	31 Dec 2024
Aircraft Right-of-Use assets	695,019	817,179
Aircraft rotatable inventory	6,134	6,035
Other Right-of-Use assets	1,482	671
Other tangible assets	772	809
<b>Total</b>	<b>703,407</b>	<b>824,694</b>

**Note 10 Trade and other receivables**

(in thousands of USD)	31 Dec 2025	31 Dec 2024
Trade receivables	24,120	8,976
Other receivables	575	2,692
<b>Total</b>	<b>24,695</b>	<b>11,668</b>

**Note 11 Cash and cash equivalents**

(in thousands of equivalent USD)	31 Dec 2025	31 Dec 2024
USD	8,989	19,339
NOK	2,189	1,542
GBP	4,629	1,462
EUR	993	475
SEK	612	-
THB	142	36
<b>Total cash and cash equivalents</b>	<b>17,554</b>	<b>22,855</b>
Hereof restricted cash:		
USD	-	13,200

## Note 12 Shareholder information

Shareholders of the Company as of 31 December 2025.

Name	Number of shares	Ownership	Voting rights
B T Larsen & Co Limited	47,904,781	29.5%	29.5%
Songa Capital As	13,598,610	8.4%	8.4%
UBS Financial Services Inc.	11,300,000	7.0%	7.0%
Citibank, N.A.	4,276,175	2.6%	2.6%
UBS Switzerland Ag	4,172,291	2.6%	2.6%
Pershing LLC	4,026,657	2.5%	2.5%
MH Capital AS	3,494,684	2.1%	2.1%
Vicama AS	3,000,000	1.8%	1.8%
Alto Holding AS	2,731,602	1.7%	1.7%
Alden AS	2,623,381	1.6%	1.6%
Tigerstaden AS	2,500,000	1.5%	1.5%
Société Générale	2,304,925	1.4%	1.4%
Livermore Invest AS	2,242,378	1.4%	1.4%
Fender Eiendom AS	2,006,171	1.2%	1.2%
Gården	1,374,386	0.8%	0.8%
Metal Monkey AS	1,361,336	0.8%	0.8%
Guttis AS	1,214,690	0.7%	0.7%
Akb AS	1,009,754	0.6%	0.6%
Jjb AS	1,009,753	0.6%	0.6%
Agmably AS	1,009,752	0.6%	0.6%
Top 20 shareholders	113,161,326	69.6%	69.6%
Other shareholders	49,421,332	30.4%	30.4%
<b>Total number of shares</b>	<b>162,582,658</b>	<b>100.0%</b>	<b>100.0%</b>

## Note 13 Lease liabilities

(in thousands of USD)	FY 2025	FY 2024
Opening balance	905,719	973,827
Additions during the period	1,037	834
Interest accrued	29,194	30,903
Installments and interest payments	(96,590)	(99,845)
Lease modifications	(60,076)	-
<b>Closing balance</b>	<b>779,285</b>	<b>905,719</b>
Of which		
Due within 12 months	68,071	79,714
Due after 12 months	711,214	826,005

By the end of the Period, Norse has a fleet of 12 leased Boeing 787-9 Dreamliners, all under fully fixed lease payments.

## Note 14 Interest-bearing debt

(In thousands of USD)	31 Dec 2025	31 Dec 2024
Convertible bonds	28,629	-
Shareholder loan	7,409	22,056
Bank overdraft facility	20,314	-
<b>Total</b>	<b>56,351</b>	<b>22,056</b>
Of which		
Due within 12 months	27,722	-
Due after 12 months	28,629	-

# Alternative performance measures

An Alternative Performance Measure (“APM”) is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. Norse prepares its financial statements in accordance with IFRS, and in addition uses APMs to enhance the financial statement readers’ understanding of the Company’s performance. Definition of APMs used by the Company in these financial statements are provided below.

APM	Description
EBITDAR	Earnings before net financial items, income tax expense/(income), depreciation, amortization and impairment, restructuring items, aircraft leasing expenses and share of profit/(loss) from associated companies. EBITDAR enables comparison between the financial performance of different airlines as it is not affected by the method used to finance the aircraft
Airfare per passenger	Total airfare revenue divided by the number of passengers
Ancillary per passenger	Total ancillary revenue, meaning all passenger revenue that is not the airfare, divided by the number of passengers
Revenue per passenger	Total revenue that the Company earned from passengers, which consists of airfare and ancillary revenue, divided by the number of passengers
PRASK	Passenger revenue per available seat kilometre. Passenger revenue defined as total revenue across airfare and ancillary
TRASK	Total operating revenue per available seat kilometre
CASK	Cost per available seat kilometre. Used to measure the unit cost to operate each seat for every kilometre

APM	Description
CASK (excluding fuel)	Cost per available seat kilometre, excluding the cost of fuel. Used to measure the unit cost to operate each seat for every kilometre, while fuel is excluded due to the nature of its pricing as a commodity due to market conditions being outside the control of the airline
CASK (cash adjusted)	Cost per available seat kilometre, excluding the cost of fuel and the IFRS accounting cost of right-to-use asset. The right-to-use accounting amortization is excluded as it is significantly different from the lease accounting cost. CASK (cash adjusted) gives a more accurate indication of the cash cost of CASK excluding fuel
Own network	Network of Company’s own scheduled flights, excluding all ACMI and Charter flights

Operational measures	Description
ASK	Available seat kilometres. Number of available passenger seats multiplied by flight distance
RPK	Revenue passenger kilometres. Number of sold seats multiplied by flight distance
Load factor	RPK divided by ASK. Indicates the utilization of available seats

**Revenue per passenger**

	Q4 2025	Q4 2024	FY 2025	FY 2024
Airfare passenger revenue – USD thousands	87,062	71,138	459,497	395,249
Number of passengers in own network	274,452	264,130	1,492,824	1,342,434
<b>Airfare per passenger – USD</b>	<b>317</b>	<b>269</b>	<b>308</b>	<b>294</b>
Ancillary passenger revenue – USD thousands	16,929	19,465	104,156	108,200
Number of passengers in own network	274,452	264,130	1,492,824	1,342,434
<b>Ancillary per passenger – USD</b>	<b>62</b>	<b>74</b>	<b>70</b>	<b>81</b>
<b>Revenue per passenger - USD</b>	<b>379</b>	<b>343</b>	<b>378</b>	<b>375</b>

**PRASK**

(in thousands of USD)	Q4 2025	Q4 2024	FY 2025	FY 2024
Total passenger revenue	103,990	90,602	563,653	503,449
Available seat kilometres in own network (millions)	2,316	2,078	12,014	11,391
<b>PRASK – US Cents</b>	<b>4.49</b>	<b>4.36</b>	<b>4.69</b>	<b>4.42</b>

**TRASK**

(in thousands of USD)	Q4 2025	Q4 2024	FY 2025	FY 2024
Total operating revenue <sup>1</sup>	153,442	123,118	711,021	588,106
Available seat kilometres (millions)	3,738	2,599	14,787	12,323
<b>TRASK – US Cents</b>	<b>4.10</b>	<b>4.74</b>	<b>4.81</b>	<b>4.77</b>

<sup>1</sup> Excluding USD 23 million of 'Other revenue' from insurance claims related to engine damages in Q3 2025

**CASK (cash adjusted)**

(in thousands of USD)	Q4 2025	Q4 2024	FY 2025	FY 2024
Operating profit/(loss)	(21,974)	(25,920)	(20,094)	(97,017)
Add-back				
Revenue	(156,331)	(123,118)	(734,042)	(588,106)
Fuel, oil and emissions costs	40,475	33,102	188,988	183,617
Costs covered by insurance claims	2,890	-	23,020	-
Depreciation of right-of-use assets	18,338	21,516	74,477	85,670
Cost (adj.) sub-total	116,603	94,421	467,651	415,837
Available seat kilometres (millions)	3,738	2,599	14,787	12,323
<b>CASK (cash adjusted) – US Cents</b>	<b>3.12</b>	<b>3.63</b>	<b>3.16</b>	<b>3.37</b>

**CASK (excluding fuel)**

(in thousands of USD)	Q4 2025	Q4 2024	FY 2025	FY 2024
Operating profit/(loss)	(21,974)	(25,920)	(20,094)	(97,017)
Add-back				
Revenue	(156,331)	(123,118)	(734,042)	(588,106)
Fuel, oil and emissions costs	40,475	33,102	188,988	183,617
Costs covered by insurance claims	2,890	-	23,020	-
Cost (adj.) sub-total	134,941	115,936	542,128	501,507
Available seat kilometres (millions)	3,738	2,599	14,787	12,323
<b>CASK (excl. fuel) – US Cents</b>	<b>3.61</b>	<b>4.46</b>	<b>3.67</b>	<b>4.07</b>

**CASK**

(in thousands of USD)	Q4 2025	Q4 2024	FY 2025	FY 2024
Operating profit/(loss)	(21,974)	(25,920)	(20,094)	(97,017)
Add-back				
Revenue	(156,331)	(123,118)	(734,042)	(588,106)
Costs covered by insurance claims	2,890	-	23,020	-
Cost sub-total	175,416	149,038	731,116	685,124
Available seat kilometres (millions)	3,738	2,599	14,787	12,323
<b>CASK – US Cents</b>	<b>4.69</b>	<b>5.73</b>	<b>4.94</b>	<b>5.56</b>



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